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HEARING DATE:
September 16, 2013
at 10:00 am

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:

OCD, LLC,

Debtor.

Chapter 11
Case No.
13-22416

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MOTION TO DISMISS

TO: THE HONORABLE ROBERT D. DRAIN
UNITED STATES BANKRUPTCY JUDGE

The motion of O.C.D., LLC (“Debtor”), by and through its attorneys Reich, Reich & Reich, P.C., seeking entry of an order dismissing its Chapter 11 case respectfully represents:

1. The Debtor filed a petition under Chapter 11 of Title 11 of the United States Code on March 12, 2013 (“Filing Date”).
2. The Debtor has been operating since the Filing Date as a Debtor-in-Possession pursuant to §1107 and 1108 of the Bankruptcy Code.
3. No creditors committee has been appointed.
4. The Debtor no longer wishes to remain in Chapter 11 and respectfully requests that the Court dismiss its case.
5. The Debtor owns real property located at 111 San Joaquin Road, Mountain Village, Colorado 81435 (“Property”). The Colorado Property is being

developed into six (6) luxury condominium units known as the Lorian at Prospect Creek (“Development”). The Development is approximately eighty (80%) percent complete.

6. FTL Lorian, LLC (“FTL”) is the current holder of a note which is secured by first lien against the Property. FTL filed a proof of claim in the Debtor’s Chapter 11 case in the amount of approximately \$12.5 million dollars.

7. There is a foreclosure proceeding entitled FTL LORIAN, LLC v. OCD, LLC, et al., (Case No. 2012 CV 45 Div. 5) pending in the District Court for the State of Colorado, San Miguel County, by the current holder of a first mortgage against the Property (“Foreclosure Action”). There is a Receiver appointed in the Foreclosure Action and prior to the Filing Date the Debtor was unable to obtain access to the Property. Moreover, an Order was entered in the Foreclosure Action allowing FTL to develop and market the Property for sale and the Debtor was unable to obtain information regarding the Receiver’s intention with respect to the Property. Since the Filing Date, the Debtor has obtained access to the Property, been granted the opportunity to obtain financing in order to complete the Development and negotiated with FTL to reach a settlement with respect to the Foreclosure Action.

7. On August 8, 2013, the Debtor entered into an agreement (“Agreement”), which would be subject to bankruptcy court approval if the case is not dismissed, with FTL under which FTL is going to finance the completion of the construction of the Property so that it can be marketed and the condominium units can be sold. The Agreement provides certain terms that protect the economic and legal interests of the Debtor outside of the bankruptcy process and provide the Debtor with what it has

determined to be its best chance to preserve any equity that it may have in the Property once the Development is complete.

WHEREFORE, the Debtor respectfully requests that this application be granted, together with such other and further relief as the Court may deem just and proper.

Dated: White Plains, New York
August 14, 2013

Reich, Reich & Reich, P.C.
Attorneys for O.C.D. LLC

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